

## AMENDMENT OF LEASE

1694<sup>✓</sup>A & B

Execution of this Lease Amendment will amend the certain lease dated October 1, 1999 ("Lease"), wherein Community Health Centers of King County, (hereinafter called the Lessor) and King County, a political subdivision of the State of Washington (hereinafter called Lessee) entered into a lease agreement for the Premises located at the 4<sup>th</sup> floor of the Auburn Medical Arts Building ("Building") 126 Auburn Avenue, Auburn, WA 98001. The Building, the land upon which it is situated, all other improvements located on such land, and all common areas appurtenant to the Building are referred to as the "Property". This Lease Amendment will be on all the same terms and conditions except as follows:

1. **TERM.** The term of the lease shall be starting October 1, 2004, and ending June 30, 2007.
2. **Section 4 is amended to reflect the substitution of the following language:**

**BASE RENT.** The base monthly rent per square foot per year of the leased premises for the new term shall be as follows:

|                                  |         |
|----------------------------------|---------|
| October 1, 2004 - March 31, 2006 | \$13.50 |
| April 1, 2006 - June 30, 2007    | \$17.25 |
|                                  |         |
|                                  |         |

The leased premise is 5,303 square feet for the period October 1, 2004 to June 30, 2006. The leased premise is 5,040 square feet starting July 1, 2006. The base rent will reflect this square footage.

3. **Section 5 of the Lease (Utilities and Service) is amended to reflect the substitution of the following language:**

**TRIPLE NET.** As additional rent, Lessee shall pay to Landlord on the first of each month with payment of Lessee's base rent, one-twelfth of Lessee's Pro Rata Share of Operating Costs.

**LESSEE'S PRO RATA SHARE.** Lessor and Lessee agree that Lessee's Pro Rata Share is 24% based on the ratio of the agreed rentable area of the Premises to the agreed rentable area of the Building and all other buildings on the property as of the date of this Lease Amendment for the period October 1, 2004 to June 30, 2006. The Lessee's Pro Rate Share will be changed to 23% when the leased premise square footage is reduced to 5,040 square feet or the period beginning July 1, 2006.

**OPERATING COSTS.** As used herein, "Operating Costs" shall mean all cost of operating, maintaining and repairing the Premises, the Building, and the Property, determined in accordance with generally accepted accounting principles, and including without limitation the following: all taxes and assessments (including, but not limited to, real and personal property taxes and assessments, local improvement district assessments and other special purpose assessments, and taxes on rent or gross receipts); insurance premiums paid by Lessor and (to the extent used) deductibles; water, sewer and all other utility charges (other than utilities separately metered and paid directly by Lessee or other tenants); janitorial and all other cleaning services; refuse and trash removal; refurbishing and repainting; carpet replacement; air conditioning; heating, ventilation and elevator service; pest control; lighting systems, fire detection and security services; landscape maintenance; management (fees and/or personnel costs); parking lot, road, sidewalk and driveway patching, resurfacing and maintenance; snow and ice removal; amortization (in accordance with generally accepted accounting principals) of capital improvements as Lessor may in the future install to comply with governmental regulations and rules or undertaking in good faith with a

reasonable expectation of reducing operating costs (the useful life of which shall be a reasonable period of time as determined by the Lessor); and costs of legal services (except those incurred directly relating to a particular occupant of the Building); accounting services, labor, supplies, materials and tools. Operating Costs shall NOT include: Depreciation on the Building or equipment therein; loan payments; real estate broker's commissions; capital improvements to or major repairs of the Building shell (i.e., the Building structure, exterior walls and roof) not described in this paragraph; or any costs regarding the operation, maintenance and repair of the Premises, the building, or the Property incurred and/or paid for by the Lessor or other tenants in the Building.

**METHOD OF PAYMENT.** Lessor shall provide Lessee, at the signing of the Lease Amendment, the actual costs of the annual Operating Costs for the calendar year in which the Lease Amendment commences and a good faith estimate of the annual Operating Costs for the each succeeding calendar year of the Lease Amendment term. Lessor shall also provide to Lessee, as soon as possible following the first day of each calendar year, an Operating Costs Statement that sets forth the actual amounts incurred for Operating Costs for the preceding calendar year. In the event the amount of the Lessee's Pro Rata Share of Operating Costs exceeds the sum of the monthly installments actually paid by the Lessee for such calendar year, Lessee shall pay to Lessor the difference within thirty (30) days following the receipt of the Operating Costs Statement. In the event the sum of such installments exceeds the amount of the Tenant's Pro Rata Share of Operating Costs actually due and owing, the difference shall be applied as a credit to Lessee's future Pro Rata Share of the Operating Costs payable by Lessee. In the event the estimated amount of Lessee's Pro Rata Share of Operating Costs has not yet been determined for any calendar year, Lessee shall pay the month installment in the estimated amount determined for the preceding calendar year until the estimate for the current calendar year has been provided to the Lessee. After this estimate is provided, the Lessee shall pay or be credited with the difference in the amounts paid and the estimate for the Pro Rata Share of the Operating Costs until the estimate is provided, based upon the same method described in the section for the payment or credit of the difference in the annual Operating Costs Statement.

4. Section 3 of the Lease is no longer applicable.
5. Except as specifically modified by the terms hereof, the aforesaid Lease and subsequent Lease Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease Amendment by their duly authorized officers.

Community Health Centers of King County

KING COUNTY, WASHINGTON

BY: [Signature]

BY: [Signature]

TITLE: CEO

TITLE: Manager, Real Estate Services

DATE: January 26, 2007

DATE: 1-22-07

APPROVED AAS TO FORM:

BY: [Signature]

TITLE: Deputy Prosecuting Attorney

DATE: 1/16/07

Department of Public Health, King County

BY: [Signature]

Dorothy F. Teeter

TITLE: Interim Director

DATE: 12-20-06